



London Iron Ore Market Report

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Iron Ore futures ticked up on Tuesday despite the weaker demand outlook. Iron ore port inventories up for the second week after golden week since Tangshan port evacuation was impacted by environment protection. China Iron ore port congestion remained severe, the latest port data from Mysteel said a yearly high figures of 204 ships waiting at ports, which has lent some support to the iron ore prices. However, according to Platts China's Sept crude steel output hitting a 33-month low to 73.75million tonnes due to the domestic steel demand in property and manufacturing is likely to weaken further. Moreover, China National Bureau of Statistics data showed the first nine months land purchase decreased 8.5% year-on-year amid credit tightening in the real estate industry. Wang Yingsheng, the economist in CISA indicated if Q4 daily crude steel average production was below or equal 2.5 million tonnes level, then zero growth rate in crude steel on yearly basis should be achievable, while the crude steel production in Sept was 2.46 million tonnes per day has fallen right into this plan.

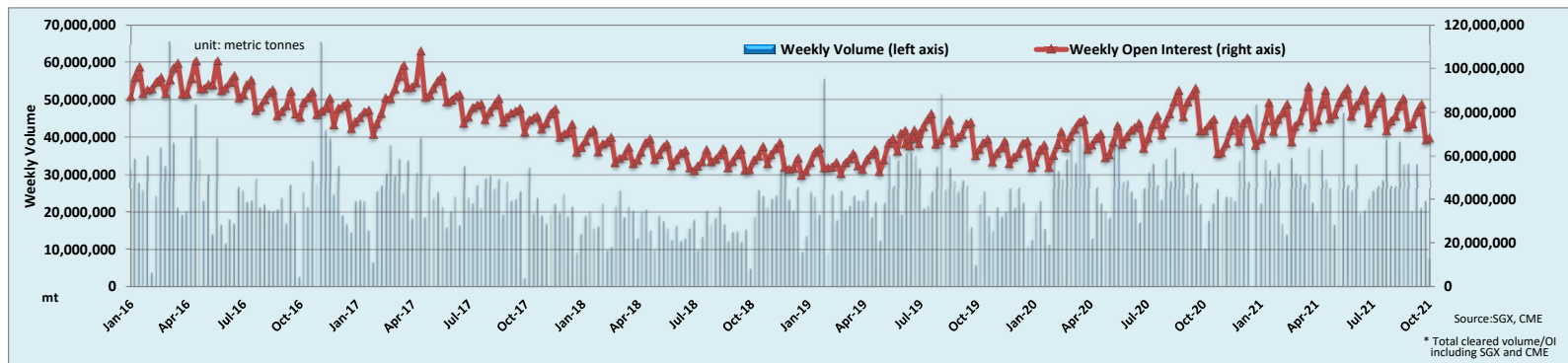
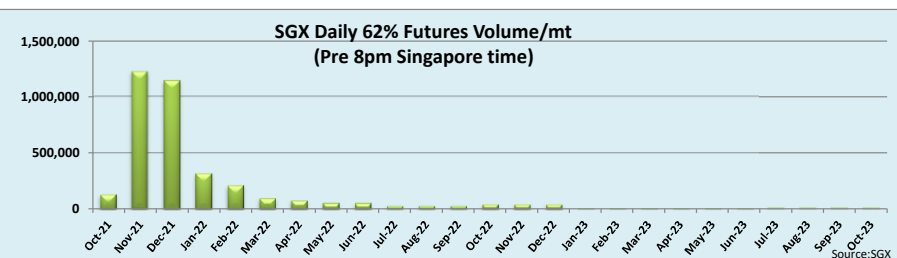
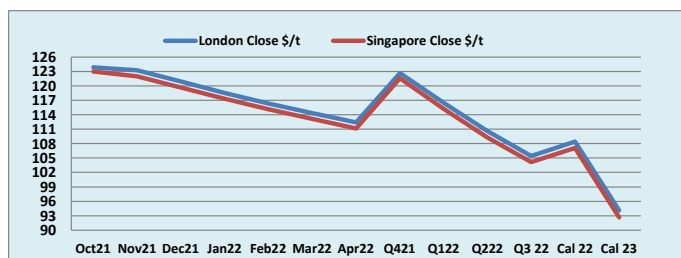
In terms of supply, last week Rio Tinto lowered its 2021 iron ore shipment forecast as a tight labour market in western Australia. Many investors are waiting for Vale's latest quarterly production report for more direction, which is scheduled to be disclosed after the market close on Tuesday. The recovery of tonnage from Vale which would increase the supply for high grade ore. Also, some market participants expect the winter production curb would also bring back the demand for high grade ores and lumps in the next two months. SGX iron ore Nov 65/62 has widened from \$21.71 last week to \$24.31.

INDEX	Price	Change	MTD
Platts IO 62%	\$123.50	-\$0.65	\$123.18

INDEX	Price	Change	MTD
MB IO 65%	\$147.10	-\$1.00	\$145.67

INDEX	Price	Change	MTD
Platts Lump Prem	\$0.2200	\$0.0000	\$0.1735

Iron Ore 62% Futures	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	Q4 21	Q1 22	Q2 22	Q3 22	Cal 22	Cal 23
London Close \$/t	123.85	123.25	120.90	118.55	116.35	114.35	112.40	122.65	116.45	110.60	105.40	108.40	94.15
Singapore Close \$/t	123.00	122.00	119.65	117.35	115.15	113.10	111.15	121.55	115.20	109.30	104.15	107.05	92.70
Change	+0.69%	+1.02%	+1.04%	+1.02%	+1.04%	+1.11%	+1.12%	+0.90%	+1.09%	+1.19%	+1.20%	+1.26%	+1.56%



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